

## **Vicissitudes of East Asia Development: Past, Present, and Future**

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### **Abstract:**

Human civilizations throughout time have all grappled with the challenge of molding geographical and environmental conditions for the purpose of developing their respective societies and cultures. Empires of old have imposed their imperial will over subject populations to have them 'fit' into a prescribed empirical development paradigm. This is no less true in regions of East Asia when, in the aftermath of World War II, Western nations – led especially by the United States – began to impose political and economic policies that galvanized the ethos of a 'modern' development paradigm in the East Asian realm. This situation has led to a clash of societal traditions and cultural values that has not abated for more than seventy years. The purpose of this short study, then, is to examine the impact of the so-called 'Western development architecture' in East Asia, and to acknowledge changes that have produced a dichotomy of Western and Eastern development paradigms in the current political-economic situation of the early 21<sup>st</sup> century.

**Keywords:** East Asia, development architecture, Bretton Woods, paradigm, Washington Consensus, Beijing Consensus

### **Introduction**

For countless millennia, humans have striven to adapt to the material and physical environments around them. Students of 'development studies' – and practitioners of the same – have come to understand that the First World (the 'North') and the Second- and Third-Worlds (the 'South') have each inculcated its own sense of development, and how such development should proceed for the benefit of its client populations. Since the end of World War II, even with the dismantling of colonial rule throughout Africa and Asia, the installation of the Bretton Woods institutions – especially, the International Monetary Fund, and the World Bank – served as a buttress against political and social changes occurring in the aftermath of the War, principally to contain what was known as the Second-World: "...the Soviet Union..." (Bello 2006, 35), and other Warsaw Pact nations of the time.

### **Focus of this Study**

The mechanical pragmatism of many of the Bretton Woods institutions' policies and programs invites the asking of an almost rhetorical question: "Whose development" is this anyway?

(Crewe & Harrison 1998). For exploring the nuances of this question, the existence of ‘Oriental’ Eastern cultural values and societal traditions will be juxtaposed to those of the ‘Occidental’ West, especially given the fact that modern development practices for nearly 70 years have been embedded in the Western post-Enlightenment worldview (see Tarnas 1991).<sup>1</sup> This study, therefore, will assess and evaluate the Western (North) presupposition that nothing on the scale of so-called ‘modern development’ had ever occurred before; therefore, there was an apparent felt-need for such a paradigm as was initiated by the U.S. after World War II. This study then indicates how this presupposition caused a clash of Western and Eastern values and traditions, in turn, creating a development-paradigm duality.

### **Historical Reflection on East Asian Development (to the 15<sup>th</sup> Century C.E.)**

#### *China:*

In the history of imperial peoples and cultures, no other empire matched or surpassed the grandeur and accomplishments of China (and, for a time, Mongolia). While the empire of the Western world which encompassed what has come to be known as *Pax Romana*<sup>2</sup> was quite impressive at its height, its most enduring legacy is preserved only in the various “romance languages,” in which Latin left an indelible mark. China, on the other hand, retains much of the physical land and geography which it invaded and conquered in over two millennia of physical presence and social development. Indeed, at the end of the first millennium C.E., significant trade relationships with neighboring peoples in Southeast Asia (and India and East Africa) worked to spread Chinese influence far beyond its imperial dynastic borders. Organic products, including various spices and opium, were in great demand by all trade populations, as well as manufactured goods such as Chinese silk products and textiles, etc. Various Chinese dynasties over the past two to three thousand years have left lasting impressions on peoples and cultures in and around continental and insular Asia.

The Han Dynasty was the first of these imperial forces to impact society and culture in China. In the spirit of Adam Smithian *laissez-faire*, “...there was almost unfettered capitalism and the accumulation of great fortunes by merchants” (Mason 2000, 54) under the Han at this time in Chinese history. Likewise, the Han influence on Chinese societal and cultural values would be indelible.

The synthesis of all various elements contributing to the Chinese worldview was achieved during the Han dynasty. The core belief is that Heaven, humankind and Earth ideally constitute a single, harmonious, natural order. This order is both balanced, through the interaction of *yin* and *yang*, and moral, in that its ideal harmony rests on an ethical basis. The central figure in this scheme of things – the point, as it were, where Heaven and Earth converge – was the emperor. (Stuart-Fox 2003, 17; italics in original)

For many centuries afterwards, the Han presence would be felt and would, in turn, influence successive Chinese dynasties. In the tenth century, the Tang dynasty would carry on Han values and tradition.

Chinese manufacture, especially the fine porcelain that came to be known as *china*, was in demand throughout the world and commanded an immense export trade by the standards of the time. Canton became one of the world's biggest ports. Book printing had become commonplace and many private citizens had libraries.... (Mason 2000, 77; italics in original)

Less than one hundred years after the Tang, the Sung<sup>3</sup> dynasty also boasted a sophisticated and vibrant social and economic system.

[While] the Tang Chinese began building their own merchant ships...the Song continued this tradition of boat-building. When the dynasty lost control of northern China, it needed to construct a substantial navy to defend its new capital on the Yangtze River. The impetus this gave to Chinese maritime trade particularly affected Southeast Asia, not least through the growth of Chinese merchant communities in the region. (Stuart-Fox 2003, 47)

Continuing in this prosperous development mode, "...the Mongols built up the largest empire the world had yet seen, including the greater part of the Eurasian landmass.... The Chinese section of this vast empire was ruled directly by the Great Khans, Genghis himself, and his successors..." (Mason 2000, 76). Under Kubilai Khan, the empire expanded over the whole of China, and down into the insular regions of present-day Indonesia. When Kubilai Khan wanted to exact tribute from the Indonesian Javanese subjects, he was rebuffed and retaliated with significant military force.

The arrival of this substantial force presented Prince Vijaya,...[as] designated heir, with a golden opportunity. In return for accepting Chinese suzerainty, he sought Mongol assistance in defeating...[a] usurper. The Mongol commander agreed and the usurper was duly crushed. Vijaya then turned on his allies, picking off scattered contingents of the Mongol force until the Mongol position became untenable and the fleet was forced to withdraw. (Stuart-Fox 2003, 63)

Despite this setback, the influence and results of East Asian development under Chinese dominance during those 1500-plus years were unequalled, although other East Asian peoples tried to challenge the Chinese dynastic success, especially the civilizations of the Indian subcontinent.

#### *India:*

In central East Asia, the influence of the subcontinent of India must be mentioned, especially in regards to Southeast Asian lands and populations directly affected by these expert maritime

sailors. A few thousand years B.C.E., the first cultured Indian civilization, the Harappa, was known for metallurgy and arts.

The Harappa showed considerable artistry in small objects. Among the ruins small figures in soapstone, alabaster and marble have been found depicting people, often in sophisticated and lively style. There was a well-developed, distinctive system of weights and measures. Copper and bronze were used for weapons, tools and ornaments. (Mason 2000, 14)

The Aryans moved into the north of the Indian subcontinent and instituted “one of the major aspects of the culture that evolved during this Aryan expansion...[namely] a class system...” (ibid. 17), becoming the underpinning to the predominant religion, Hinduism. The Indians studied and followed the monsoon patterns which propelled them to Sumatra (Indonesia) and the Malaysian peninsula during the solar months of June to November. Then, they could return during the months of December to May to their subcontinent origin. “It was probably in this way their customs, religion and art begun to spread Eastward, as far as the China Sea coast of Vietnam” (ibid. 29). This is corroborated further in the statement that

the Hindu-Buddhist states of Srivijaya, Champa, Mataram, [and] Angkor were to become the cultural centers of Southeast Asia. The process of Indianization was to take deep root in the mainland areas of Southeast Asia (i.e., the present status of Burma, Siam, Cambodia, Laos and Vietnam), while the Island World (the present states of Malaysia, Singapore, Indonesia and Southern Philippines), although influenced by Hindu-Buddhist traditions through the Srivijaya and Majapahit Empires, were to turn Muslim permanently, beginning in the 13<sup>th</sup> century. (Evangelista 1988, 16)

In this manner, then, Indians also contributed directly to the development of the East Asia, especially peninsular and insular Southeast Asia.

#### *Arabia:*

The Middle-East region of Arabia bears mentioning as well, especially given the fact that it gave birth to another large East Asian religion – Islam. As with their Indian counterparts, the Arabs were accomplished maritime merchant sailors in their own right; indeed, they rivaled Indian merchants for trade with China at the turn of the second millennium (1000 C.E.).

The mixture of Arabian Islamic zeal with merchant marine prowess resulted in an intimidating impact upon the East Asian landscape of the second millennium. A sense of pride and religious urgency led to “...participation in the international trade..., during the ninth century, [which] extended from Morocco to China – a trade particularly controlled by Muslim merchants of diverse nationalities by principally Arabs” (Majul 1974, 2). Just as Hinduism had been as much a culture as a religion to the Indians (Mason 2000, 17), so did Islam also spread formidably as a cultural-force to be reckoned with in many parts of Southeast Asia.

[T]he spread of Islam to the Malayan race came after the defeat of the Muslim Abbasid [Arabic] empire state. Islam was spread by the Sufi mystics who came and lived their interpretation of Islam.... For example, they reinterpreted the Hindu drama, Ramayana, and filled it with Islamic content. A process of assimilation resulted in conversion to Islam.... (McAmis 2002, 17)

Fueled by such socio-religious fervor, Muslim Arabs left their imprint and influence upon areas of insular Southeast Asia that continue to the present day.

### *The Region of Insular Southeast Asia*

The region of insular Southeast Asia historically has been marked as the intersection of Indian Hindu-Buddhist and Arab Muslim influences. Furthermore, thanks to copious studies of the “Sulu Zone” by Warren (1982; 1985; 2000; 2002), trade relationships and networks between Indians or Arabs and the Chinese, via the Sulu-Zone, is well-established.

The network-interaction of insular East Asian areas with mainland China was solidified especially through: economic trade; intermarriage; and a pervasive religious and cultural value-system. With each respective ethnic and cultural society affecting and cross-pollinating each other (the Chinese with the Sulus, the Sulus with the Indians, the Indians with the Arabs, etc.), the result was a social stimulus to solidifying economic relationships and cultural interactions. Nearly 1200 years after the height of *Pax Romana* in the Roman Empire came the East Asian equivalent – a veritable *Pax Orientalia* – which would define economic, social and cultural interactions until the invasions and incursions by European powers especially in the fifteenth century C.E.

### **Western Colonialism and Disruption of Pax Orientalia**

#### *Enter the Iberians:*

The Portuguese are mentioned almost in passing, since they have only left their imprint on Macau in China. During the so-called Open Door Policy of China in the 19<sup>th</sup> century, the Portuguese (along with other European powers) took advantage of the good nature – and crumbling influence – of the Qing dynastic rulers. By the time China closed its doors solidly to foreigners in the later 19<sup>th</sup> century, Portugal was relegated to the island outpost of Macau as a symbol of what could-have-been under different trade circumstances.

The Spanish are more known for their exploits in what is now known as the Philippines (named after King Philip of Spain). Obsessed by the desire to enter into and control the spice trade from Asia to Europe, Spain proved to be rather culturally intolerant of Asian cultural values and social traditions. The aggression of the Spaniards in the Philippine islands is an unfortunate and well-documented epoch which is beyond the scope of this study.<sup>4</sup> Being overly zealous in their desire to effect change to the social fabric of the indigenous populations of the Philippine archipelago, the Spanish colonizing mentality manifested as virtual apartheid to the subject indigent population.

*Enter the Dutch and the British:*

Along with the Iberians came the Dutch, first in India with the Dutch East India Company (Mason 2000, 148), and then into Southeast Asia (especially Celebes – today known as Sulawesi) in search of valuable spices. Just as the Malay Muslim people of Sulu – the Tausugs – had been a pivot-point for Arab and Indian merchant-marines to enter into trade with China, so did the Malay Muslim people indigenous to Mindanao – the Maguindanaons – serve as the intermediary for the Dutch (and, later, the British) to enter into trade relationships with the ruling sultans of Ternate and Celebes (islands of the present-day Indonesian archipelago). At one point during the mid- to late-seventeenth century, “...the role of the Dutch in the years 1663-1718 [wa]s undeniably instrumental in allowing Maguindanao to evolve and remain powerful and prosperous” (Laarhoven 1989, 181) in the insular trade networks formed between Europeans and East Asians.

Although Britain’s role and influence was felt, especially by Malay Muslim populations trying to counter attacks and raids by the Spaniards, its influence was less than that of other European imperial powers. Having said that, “Burma, Malaysia, Singapore...[and] Hong Kong” (Mason 2000, 114) were all under the British sphere at some point in the totality of the British Empire. Only Singapore continues to have any formal dealings with the British Commonwealth today – a result of those other countries and city-states wishing to rid all semblances of former colonial control.

*Americans as ‘Awkward’ Imperialists:*

Only because the United States was at war with Spain over the Caribbean islands and territories at the end of the 19<sup>th</sup> century did she stumble upon receiving the Philippines as a colony due to the peace treaty that ended that war in 1898. Gowing (1983, 67ff) makes it clear that the United States only had experience with Native-American tribes in late 19<sup>th</sup> century America when she came into contact with the Muslims of the Philippines. Because it was soon realized that these Philippine Muslims were “oppressively autocratic,” the idea of using a reservation system (as had been done for the Native Americans) was disregarded (ibid. 68). Other tactics (such as promises made and broken) and outright warfare to put a stop to Islamic sedition (ibid. 236-242) were used, causing much social and cultural consternation between Americans and their Filipino Muslim wards for years to come.

Similar treatment of the Philippines, before and after World War II, and activities and involvement in the East Asian countries of Korea (1950-1953) and Vietnam (1954-1975) would give the United States the rather unsavory reputation among East Asian and Southeast Asian nations that Americans were trying to win them all to the side of anti-communism. What happened to North Vietnam in peninsular Southeast Asia and to Indonesia in insular Southeast Asia in the 1960s was enough to make the United States worry about a so-called ‘domino effect’ that the whole region would fall to Soviet or Chinese communist control.

## **The Clash of Western & Eastern Development in the Early 20<sup>th</sup> Century**

What is apparent by now in the details of this chronology is the willful disregard for the organic evolution of East Asian development by those Western colonial powers that entered the area from the 16<sup>th</sup> century onward. Partially due to an ethos of the West that “might makes right” (the West had superior military technology and maritime weaponry in those times), and also partially due to the Asian value of deferring to others, certain East Asian regions allowed Western colonial powers to occupy and direct economic and social reconstruction that would be of most benefit to the colonizers’ home countries. It was tantamount to imperialism.

The imperial dissection of Asia followed a definite geographic pattern. The British Empire was Westernmost, extending East from India through Burma to small, lately-acquired possessions in Malaysia. Beyond Thailand...was French Indo-China, now Vietnam, Cambodia and Laos. Holland controlled the Western half of archipelago south-east Asia – what is now Indonesia. The...islands farther East became the Philippines, the colony first of Spain and later of the United States.

China was too big a fish for any single European state swallow whole, or, indeed, to be permitted by its rivals to do so....

Japan maintained her independence only because she had ‘Westernised’ her economy and industry with remarkable speed and energy and...[became] a colonial power herself, annexing Korea, Taiwan and Manchuria.

This geographic organisation of Asia to suit the dominators...had some strange and at times disastrous consequences. Everywhere one now looks in Asia anomalies remain – peoples divided between two or more nations, minorities cut off from the majority of their race.... The tensions caused by these things are important, active influences in the Asia of today and will have unpredictable effects on future events. (Mason 2000, 114-115)

Such “tensions” and “unpredictable effects” all coalesced together to form the hotbed of social and cultural forces that characterized East Asia before the advent of World War II.

## **East Asia in the Aftermath of World War II**

### *Western-led Restructuring of East Asian Trade Networks:*

In the face of the worst wartime destruction East Asia had ever known, the United States (leading the Allied forces) sought to rebuild areas and countries in East Asia in similar fashion to the reconstruction of Europe under the Marshall Plan. Since Manila had been fire-bombed as equally as – if not more so than – Berlin, much reconstructive planning and capital-infusion were needed to return Manila to her status as the seat of the Southeast Asian government most favorable to American presence and intrusion at that time. The cities of Hiroshima and Nagasaki in Japan were decimated by two atom bombs dropped on each respective city. Tokyo itself needed help in rebuilding its infrastructure if it were to become the primary East Asian partner with the U.S. and the United Nations in fulfilling the adage of “making the world safe for democracy.”

*The Bretton Woods Conference, the U.N. and a 'New' International Agenda:*

In anticipating post-war needs in this regard, representatives from Britain and the U.S. met at Bretton Woods in 1944 for a conference regarding what kinds of institutions would be necessary to carry out the mandate of reconstruction for war-torn European and Asian regions (Bello 2006, 36). The first institution, known as the International Monetary Fund (IMF), was to be "...the guardian of global liquidity, a function that it was supposed to fulfill by monitoring member countries' maintenance of stable exchange rates and providing facilities on which they could periodically draw to overcome cyclical balance of payments difficulties" (ibid.). The second institution, commonly known today as the World Bank, has the full name of the International Bank of Reconstruction and Development (IBRD). The World Bank was to have more direct linkage to how each member country would work for 'reconstruction' (after World War II and – now – after any war that ravages any member nation) and 'development' (as prescribed by IBRD guidelines).

In this manner, then, a new international agenda was initiated and enforced through member countries subscribing to policies (and the value-system that drives them) set forth by the Bretton Woods institutions and the United Nations in partnership. The 'general ideal' was to work towards democracy in governance and free-market capitalism in economics for creating a veritable *Pax Occidentalia* via the IMF, the World Bank and the United Nations. Rather than using the awkward moniker of *Pax Occidentalia*, this Western-led development agenda is now known in the literature as the 'Washington Consensus.'<sup>5</sup> The structure of those macro-economic policies prescribed by this post-WWII Bretton-Woods scheme has filled substantial volumes already and is beyond the scope of this study.<sup>6</sup> Important to note, however, is the apparent 'clash of civilizations' that occurred when top-down edicts of Western development were imposed upon the cultural landscapes of certain East Asian member countries to create the so-called East Asian Miracle in the last quarter of the twentieth century.

**The Case of the "East Asian Miracle"**

*The Mechanics of Western Development Architecture:*

With the apparent success of rebuilding and improving social and economic infrastructure in war-torn nations of Europe under the Marshall Plan, the U.S.-led effort of instituting the policies and frameworks of the Bretton Woods institutions in East Asian countries went into full-scale operation by the beginning of the 1950s (see Todaro & Smith 2015). Whether by design or default, the more 'micro' approach of creating Small and Medium Enterprises (SMEs) was more successful in Asian cultures where participant-driven and communitarian programs were received better than those 'macro,' top-down designs. It is not an understatement to say that

several experiences confirm the importance of the role of SMEs in the East Asian economies...[i.e.,] considerable capability weaknesses are experienced in certain industries. This occurred in Korea...[and] it implemented a vigorous policy to foster the development of SMEs.... Korea took



account of Japanese SME policy. A similar process has been seen recently in Malaysia. In contrast to Korea, sustained development of SMEs can be seen in Taiwan.... (Hosono 1998, 21)

Another faulty assumption of the Western 'macro' scheme was to enforce the ideal that laissez-faire capitalism and free-market mechanisms would spur on the best growth in these recovering economies. This is because

export successes...provided the primary impetus for arguments by market fundamentalists...that economic growth is best served by allowing market forces, free enterprise, and open economies to prevail.... However, evidence from East Asia does not support this view.... In South Korea, Taiwan, and Singapore (as in Japan earlier and to a large degree China more recently), the production and composition of exports was not left to the market but resulted from planned intervention by the government.... (Todaro & Smith 2015, 635)

So, while the Western development architecture of the Washington Consensus goes blindly along, thinking all is well in the mechanism of the process, East Asian cultural values and social traditions attempt to find their way into that mechanism and are challenged to adapt as best as possible – similar to the proverbial square peg in a round hole.

### **Case-in-Point – The 1997 Asian Financial Crisis:**

A coalescing of different situations in the early- to mid-1990s began to indicate that there was a strain on the East Asian Miracle of the 1970s and 1980s. The crisis situation was triggered in Thailand with a currency fluctuation. This led other interdependent markets in the region to shift their currency values in commodities-trading fashion. In a practical domino-effect, the North East Asian currencies of South Korea and Japan lost a lot of value over many weeks and, in Southeast Asia, Thailand and Indonesia were hit the hardest by currency devaluation in the markets. Other countries such as the Philippines also suffered, but not nearly to the extent that those other East Asian nations did.

[T]he economic consequence of the 1997-98 crisis was a heavy blow to the economies of the region in terms of the fiscal cost of bailing out and reconstructing the financial sector.... Moreover, there was some concern that the social impact of the crisis may have a lasting effect of the economy over the long term. Such concern has drawn greater attention to the question of social cohesion and domestic governance in East Asian societies. (Fukasaku & Trzeciak-Duval 2005, 4)

### **The Specter of 'Globalization' in East Asia**

*The West versus the Rest:*

Immediately, a polarization emerged between the guardians of this Western-led development architecture and those nations which were supposed to benefit – and improve – from that

architecture. As indicated above, attention was focused more on “the question of social cohesion and domestic governance in East Asian societies” (ibid. 4) rather than on evaluating the mechanisms under which these countries were subjected. The arrogant confidence of the West in regards to its development approach had advanced a crisis of leadership in certain East Asian recipient nations: “Globalization has posed serious challenges to governance in East Asian countries. Crises in development have greatly eroded the legitimacy of the existing political economic model, while East Asian governments’ failure to overcome the crisis has brought about political instability” (Chung 2002, 20).

There is an unfortunate similarity, therefore, between the defiant colonial mentality of their European and American counterparts of the 16<sup>th</sup> to the 19<sup>th</sup> centuries, and this Washington Consensus development apparatus:

[G]lobalization has exerted tremendous impacts on the lives of people, firms, and states on this globe: how they can survive and who can win is not determined to a great extent in global markets. Globalization has transformed the environment in which the actors live and compete [by implementing]...the challenge of adapting to global standards. In order to participate in the global economy and the world community, nations and firms are required to act in accordance with globally accepted rules and norms. Certainly, pressures from international organizations such as the International Monetary Fund (IMF) and the World Trade Organization (WTO) and powerful states like the United States play a major role. (Chung 2002, 22-23)

Significantly, this push was not going unnoticed with the remaining value-system and mechanics of the older *Pax Orientalia*, disrupted earlier by the European colonialists but still embedded in the socio-economic networks of the region.

Although East Asia is extremely diverse, something close to consensus occasionally emerges which is different from the views of the Western countries or the international organizations. For instance, many East Asian countries are uncomfortable with the idea of unrestrained markets, the IMF’s response to the Asian financial crisis, and the World Bank’s development framework where poverty reduction is the only goal. (Ohno 2002, 8)

This pronouncement that, in East Asia, “...something close to consensus occasionally emerges...” is significant, and will be highlighted below towards the end of this study.

### **Regional Consternation and International Tension:**

Because of the Washington Consensus, even the regional network known as the Association of Southeast Asian Nations (ASEAN) began to feel the strain and consternation of pressure from the West in acting on policies to be implemented in the region. In seeming paternal fashion, the Western-led apparatus was more comfortable in acknowledging “ASEAN + 3” (Ohno 2002, 8, note

#4) – the three others being Japan, South Korea, and China. This occurred because the states and governance statutes of those three nations is perceived to be more stable – a situation apparently more welcoming to the policies of Western globalization.

Many economists and businessmen began to accept that the state was inefficient while markets were efficient, and the result was criticism of state control in East Asian development. Therefore, at the structural and ideological level, the crisis of East Asian development reflects American influence over East Asia in the struggle for global supremacy. East Asia, dependent upon Western markets and capital and divided among themselves, was deprived of the opportunity to decide its future role in the global economy, and subsequently, fell into the developmental crisis. (Chung 2002, 29-30)

### **Tensions Inherent in this Western Development Architecture**

#### *The Rhetorical Question – ‘Whose Development?’*

As has been stated earlier, the Western-led development apparatus is very mechanistic – similar to the Adam Smith ideal of the invisible-hand which guides the movement of finance, capital and labor to usher agrarian societies into their own industrial revolutions. Because it is mechanistic, with little regard for detailing the process along the way, it fits into a more broadstroke, “functional approach” (World Bank 1993; quoted in Stallings 1998, 55), in which ‘the ends justify the means.’ In seeking to be the guardian of democracy in this socio-economic approach, the result is actually less democratic and more imposed upon the recipient population; less ‘universal’ and more impositional of the Western ethos. One East Asian religious community makes this insight:

A frequent criticism of the [international community] and the [UN] concept of human rights by Muslim scholars, is that it is not universal at all, but arises from a Western, Judaeo-Christian concept of life, and as such the whole notion of human rights does not sit comfortably with traditional Islam. There is more than a little truth in this. (ISIC 2000)

#### *Resentment and Reaction by East Asia over Western Globalization:*

Due to the paternalistic nature in which the Washington Consensus has been forced upon recipient nations in East Asia, reaction and resentment to such an imperial imposition has taken two main forms. First, there is an awareness – even from analysts in the West – that governance and other political issues (such as class-struggle, understood in the Marxist sense) have reached “crisis” proportions (Burkett & Hart-Landsberg 2000, 151ff) due to the top-down mechanism of Globalization. Secondly, there is a strong religious reaction because this Western architecture tends to leave the respective East Asian recipient country with a socio-religious contradiction. Since most of the West is now secular-humanist in its outlook, the idea that religion has any bearing on development does not register in most Western thinking along these lines. Because it is perceived that the recipient culture is not being respected or listened to, the reaction to an institutional top-

down approach reinforces sentiments of political, economic, and cultural imperialism by those East Asian receptor nations.

*East Asian Social and Cultural Forces in Opposition to this Western Architecture:*

In the midst of widespread destruction in the aftermath of World War II, the East Asian countries of Japan and the Philippines, especially, were grateful for the assistance by the Allied Forces (led by the United States) in the reconstruction of devastated land areas and the rebuilding of the societies in each of those respective countries. This situation created a perceptible ‘debt of gratitude’ to the United States and the West, such that subscribing to the ethos of this Bretton Woods development scheme was implied and expected. This worked fairly well until the mid-1990s, when the East Asian Miracle devolved into an Asian currency crisis. Not being allowed to continue in the long-standing ethos of *Pax Orientalia* has caused many of these countries to lose their way in their own sense of development which not only meets their needs but also speaks to the social values and cultural traditions of each respective East Asian nation. One analyst predicts this disallowance will affect the region for some time to come:

Which path are East Asian countries heading for? The crisis of development has already robbed East Asians of their confidence in realizing a prosperous future and the emerging crisis of governance will deprive them of a sense of direction and determination.... After the debt crisis, Latin American countries spent the 1980s in a ‘lost decade.’ Japan lost the decade of the 1990s after the burst of its bubble economy. (Chung 2002, 40-41)

*Resilience in the Face of Adversity:*

Despite this downcast assessment, the countries of East Asia are strong in their socio-cultural values and economic potential; therefore, Western nations must come to terms about virtually forcing some of their policies to ‘fit’ better into the cultural fabric of the region. Meanwhile, the nations of East Asia, themselves, are more willing to band together in order to form – or re-form – a united front (“...something close to consensus...”) that champions the organic *Pax Orientalia* of old.

[E]conomic cooperation in East Asia has emphasized human resource development, building infrastructure, promoting small and medium enterprises and ‘supporting industries,’ creating various institutions for industrialization, coping with negative aspects of growth, and intellectual aid on policy formulation. These overlap with the priority areas of assistance by Japan, the top donor in East Asia.... Cooperation has been promoted through voluntary action and peer pressure, not by forced conditionalities or uniform deadlines. (Ohno 2002, 7)

*An Admonition for the West Regarding East Asia Development:*

The history of the world is replete with episodes of one human empire usurping another due to superior weaponry and technology. In the current 21<sup>st</sup> Century atmosphere of international terrorism and regional warfare, it seems arrogant and foolish to “...force...conditionalities or uniform

deadlines...” through the use of more restrictive development architecture. Instead, if the clash-of-civilizations between Western Globalization and the non-West continues, future conflicts could be worse than those before.

It is imperative, therefore, that those in charge of [this Western-led development architecture], whether in home offices or in the field, be imbued with the right philosophy of development. It must be a philosophy that is premised on respect for the recipient-country. It must regard development assistance as benefiting not only the receiver but also the donor. After all, the long-term goal of development cooperation is not just the promotion of bilateral relations, but most of all, the advancement of humanity and the world. Finally, the philosophy of development must be grounded on the full appreciation of human nature – that to develop persons and societies, we need not transform their identities or disturb their environment. The development process should instead work within the framework of the target beneficiaries: what they think of themselves and what they want for themselves. (Villacorta 2004, 279-280)

### **Whither Other Paradigms of Development?**

Reports by such socio-economic analysts as Burkett & Hart-Landsberg (2000) and Bello (2006) remind us that key players have become disillusioned with the Washington Consensus development agenda; this indeed has challenged to the core the whole framework, mechanics, and ethos of what is now termed as Globalization.<sup>7</sup> As is now apparent, part of the disillusionment stems from “forced conditionalities” (Ohno 2002, 7), seemingly inherent in the Western development architecture, that contributes to social and cultural resentments in certain East Asian nations.<sup>8</sup>

Part of the solution to this enormous problem is apparent in the social and cultural fabric that characterizes East Asia itself. In permitting the forming or re-forming of the extant *Pax Orientalia*, it is postulated that the whole socio-economic framework would be allowed “...more space...[and] more flexibility...” in moving forward into this new millennium:

It is in such a more fluid, less structured, more pluralistic world, with multiple checks and balances, that the nations and communities of the South [the non-Western developing world] – and the North [the Western developed world] – will be able to carve out the space to develop based on their values, their rhythms, and the strategies of their choice. (Bello 2006, 118)

Burkett & Hart-Landsberg (2000, 213) add that this allowance would contribute to “...the building of movements guided by both an accurate understanding of capitalism and worker-community centered visions of development” – that is, a bottom-up approach that resonates more with East Asian societal and cultural values.

The long-standing trait of ‘resilience’ in East Asia can foster an environment where the idea of “more space” will also lead to a greater sense of “more flexibility” (Bello 2006, 118) which, as intimated above, would benefit not only East Asia but also the West.

There are reasons to believe that East Asia will continue to lead the world as the most dynamic growth centre. Over the past years East Asian economies as a whole have demonstrated remarkable resilience to multiple shocks.... Moreover, new growth dynamics are at work in the region, including the ascendancy of China...and the emergence of new players, such as Viet Nam, the rapid growth in intra-regional trade, and a coming of age of the Asian consumer in terms of greater sophistication and purchasing power. (Fukasaku & Trzeciak-Duval 2005, 4)

Recall again Ohno's (2002, 7) pronouncement (above) that "...something close to consensus occasionally emerges...." There is an East Asian 'consensus' that has emerged in the past 20 years – the 'Beijing Consensus':

The "Beijing Consensus" (BC) as a concept has been utilised to make the point that China's successful economic development experience...offers an alternative to the policy toolkit offered to developing countries by the International Monetary Fund (IMF) and the World Bank, the so-called "Washington Consensus" (WC). (Yagci 2016, 30)

Such a consensus, as a competing paradigm for development in East Asia, is not surprising, given the tension caused by the short-sighted thinking that the Washington Consensus has universal applications.

[C]ertain forms of 'development' have been associated with processes of eradicating particular cultural practices. These claims of cultural homogenization have been exacerbated by the increasing interconnectedness of the world.... There has been much talk of the 'McDonaldization' or 'Coca-Colaization' of the world as large corporations spread both their production centres and also their sales outlets to more and more remote parts of the globe.... For some, this spread of 'Western' consumption practices is interpreted as a form of neo-colonialism.... (Willis 2011, 217)

## **Conclusion**

In concluding this examination of the vicissitudes of East Asian development, we identify the most recent dichotomy between Western development architecture – the Washington Consensus (WC) – and what is called the Beijing Consensus (BC) in the literature. Certain Western analysts have seen the Beijing Consensus as the only competing alternative – similar in scope and stature to the Washington Consensus paradigm – which betrays myopic Globalization thinking on their part. Ultimately, another over-arching 'consensus' may not necessarily be the development paradigm that such East Asian developing nations want to adopt.

Despite these characterizations of the BC, it should be noted that even for the developmental states of East Asia, we cannot talk about a unique East Asian economic development model because of divergent historical, institutional and political contexts within which development policies have been implemented.... China as an example of [an] economic development success story offers very

important lessons for other [East Asian] developing countries but it is better to see it as the “Chinese economic development experience” with unique Chinese characteristics rather than a model to be utilised in other contexts. (Yagci 2016, 36)

Yagci’s final statement above is indirectly echoed by Bello. As part of what Bello calls ‘deglobalization,’ there is a need to “decommission” and to “neuter” the WC Bretton Woods institutions (2006, 116). By working to ‘decommission’ the Washington Consensus paradigm, the creation of ‘more space’ will allow regional and local paradigms of development to emerge organically in respective East Asian nations. Bello (2006, 118) then quotes from British philosopher John Gray to indicate the benefit of the emergence of such incipient paradigms: “[These paradigms would] express and protect local and national cultures by embodying and sheltering their distinctive practices” (Gray 1995, 181).

Despite these optimistic pronouncements, there is the plain realization by analysts (like Bello and Yagci) that the Washington Consensus may “...not take lightly challenges to its hegemony” (Bello 2006, 114). While the Beijing Consensus (BC) is likewise a restrictive, top-down model of development, BC does have its champions among certain East Asian neighbors.

Across Southeast Asia, China’s [BC] model has gained considerable acclaim. “There are, of course, no official statements from [Southeast Asian] countries about their decisions to follow the Beijing Consensus or not,” writes prominent Indonesian scholar Ignatius Wibowo. “The attraction to the Chinese model is unconscious.”

Still, it is possible to quantify this “unconscious” appeal. Having analyzed surveys of political values in Southeast Asia going back a decade, Wibowo concludes that people in many Southeast Asian share a willingness to abandon some of their democratic values for higher growth, and the kind of increasingly state-directed economic system that many of these countries had, in their authoritarian days, and that China still has today. Southeast Asian nations “have shifted their development strategy from one based on free markets and democracy to one based on semi-free markets and an illiberal political system,” Wibowo writes. (Kurlantzick 2013)

To quote a phrase, then, ‘The jury is still out’ – with regards to the organic or seemingly forced adoption of a particular development paradigm by respective East Asian developmental states. Only time will tell how individual East Asian nations will respond to the external and internal pressures that will affect development in their particular societies well into the 21<sup>st</sup> century.

### Endnotes:

1. “In economic terms, ‘modernity’ encompasses industrialization, urbanization and the increased use of technology within all sectors of the economy. This application of technology and scientific principles is also reflected within social and cultural spheres. What has been termed the ‘Enlightenment’ period in Western Europe in the late seventeenth and eighteenth centuries involved the growing importance of rational and scientific approaches to understanding the world and

progress.... This was contrasted with previous understandings that were often rooted in religious explanations.... Approaches to medicine, the legal and political systems and economic development were all affected by this shift in perspective.” (Willis 2011, 3)

2. While *Pax Romana* (the ‘Roman Peace’) is known as a particular 200-year period of the Roman Empire (see Goldsworthy 2016), the term can be representative of other Latin idioms for other human empirical civilizations – e.g., *Pax Sinaica* (the Chinese imperial dynastic periods); and, *Pax Britannica* (the British Empire); etc.
3. Different romanized phonetic systems for Chinese languages – especially, the so-called Wade-Giles of the period before the People’s Republic of China (PRC); and, *pinyin*, created in the early years of the PRC – continuously lead to notable variations of romanized Chinese-language written orthography – i.e, ‘Song’ (Wade-Giles), or ‘Sung’ (*pinyin*).
4. The interested reader is directed to Majul (1999) for an overview of how the Philippines fared under 300+ years of Spanish colonial rule.
5. Development policies “...offered to developing countries by the International Monetary Fund (IMF) and the World Bank...[has been more recently termed] the so-called ‘Washington Consensus’ (WC).” (Yagci 2016, 30)
6. Todaro & Smith (2015) give an elaborate summary of the various stages of Western “development” as manifested economically since the end of World War II: 1) 1950-60s: the Stages-of-Growth model (120); 2) 1960-70s: Structural Change models (124-131); 3) 1970s: International Dependence models (131-135); and, 4) 1980-90s: Neo-Classical models (135-140).
7. For example, Bello (2006, xiv) writes: “A paradigm [of Western development] is really in crisis when its best practitioners desert it,...among them Jeffrey Sachs, noted earlier for his advocacy of ‘free market’ shock treatment in Eastern Europe in the early 1990s; Joseph Stiglitz, former chief economist of the World Bank; Columbia Professor Jagdish Bhagwati, who called for global controls on capital flows; and financier George Soros, who condemned the lack of controls in the global financial system that had enriched him.”
8. Past and present episodes of social unrest in the Hindu countries of Nepal and India, the Buddhist regimes of Myanmar and Cambodia, and (most notably) the jihad mentality of the Asian Muslim world is attributable to the ‘virtual imperialism’ of the Washington Consensus programs and institutions (i.e., IMF, World Bank, etc.) within the cultural milieu of these East Asian countries.
9. First coined in Ramo (2004), the ‘Beijing Consensus’ (BC) now has a growing literature which is beyond the scope of this short study. The interested reader is directed to Yagci (2016) for an astute comparison of BC to the ‘Washington Consensus’ (WC).

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